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UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

WESTERN DIVISION

PACIFIC LIGHT PRODUCTIONS INC., a California corporation, Plaintiff, vs. PRISM FITNESS GROUP LLC, a Wisconsin limited liability corporation, Defendant	**CASE NO.: 17-cv-3942** **COMPPLAINT FOR TRADEMARK INFRINGEMENT, DECLARATORY RELEIF AND RELATED CLAIMS** **[DEMAND FOR TRIAL BY JURY]**

Plaintiff Pacific Light Productions Inc., by and through its counsel, Avyno Law P.C., for its complaint against Defendant Prism Fitness Group LLC alleges as follows:

PARTIES

1. Plaintiff Pacific Light Productions, Inc. ("PLP") is a California corporation with its principal place of business at 1633 5th Street, Manhattan Beach, CA 90266. PLP is engaged in the development of fitness and therapeutic equipment and has made, sold and/or licensed such products for sale.

2. Defendant Prism Fitness Group, LLC ("Prism") is a Wisconsin limited liability company, with its principal place of business at 303 Bruce St., Verona, Wisconsin 53595. Prism manufactures and sells fitness and therapeutic equipment and accessories.

3. Upon information and belief, Defendant is a limited liability company domiciled in Wisconsin, organized under the laws of that state, and maintains its principal business office in Wisconsin. Plaintiff further alleges that Defendant has committed the various infringing acts (alleged below) which were expressly aimed at Plaintiff, a California domiciliary, and that jurisdiction over them is further established by (1) their purposeful activities or transactions with California, or residents thereof, by which they purposefully avail themselves of the privilege of conducting activities in this forum; (2) the fact that the claims alleged herein arise out of or relate to their forum-related activities; and (3) the fact that the exercise of jurisdiction is reasonable, or comports with fair play and substantial justice.

JURISDICTION AND VENUE

4. This is an action arising under the Lanham Act, 15 U.S.C. Section 1125(a). This Court has federal question jurisdiction over these claims pursuant to 15 U.S.C. Section 1121 (action arising under the Lanham Act); 28 U.S.C. Section 1331 (federal question); 28 U.S.C. Section 1338(a) (any Act of Congress relating to trademarks); and 28 U.S.C. Section 1338(b) (action asserting claim of unfair competition joined with a substantial and related claim under the trademark laws).

5. This Court has jurisdiction over the state law claims in this action pursuant to 28 U.S.C. Section 1367(a) because the state law claims are so related to

the federal claims that they form part of the same case or controversy and derive from a common nucleus of operative facts.

6. Based on information and belief this Court has specific personal jurisdiction over the Defendant because it has purposefully committed, and continues to commit acts within the State of California, the acts from which these claims arise. The Court also has general personal jurisdiction over Defendant as it conducts continuous, systematic, and routine business within the State of California and the County of Los Angeles.

7. Venue is proper in the United States District Court for the Central District of California pursuant to U.S.C. Sections 1391(b) and 1391(c) because a substantial part of the events giving rise to the claims occurred in this District.

FACTUAL BACKGROUND

8. Plaintiff PLP is engaged in the development of fitness and therapeutic equipment and has made, sold and/or licensed such products for sale throughout the United States.

9. On November 10, 2004, Plaintiff PLP filed an intent-to-use trademark application with the United States Patent and Trademark Office (USPTO) for the mark SMARTROLLER® in connection with manually operated exercise equipment in International Class 28.

10. Plaintiff PLP began using the mark on June 30, 2005 and, upon submitting evidence of use of the mark to the USPTO, the mark matured to registration on the Principal Register on April 10, 2007. A true and correct copy of this registration record taken from the USPTO Trademark Electronic Search System (TESS) is attached hereto as Exhibit A.

11. Since at least as early as June 30, 2005, Plaintiff PLP and/or its licensees have continually used the distinctive trademark SMARTROLLER® to market, sell and identify its fitness and therapeutic equipment, without interruption.

A true and correct copy of PLP's equipment bearing the SMARTROLLER® trademark is attached as Exhibit B.

12. In August 2009, Plaintiff PLP entered into an exclusive licensing agreement with OPTP, Inc. to distribute and manufacture its exercise equipment using the registered trademark SMARTROLLER®.

13. In 2010, Plaintiff PLP's SMARTROLLER® equipment was offered for sale in OPTP's November 2010 catalog, which is distributed nationwide, as well as internationally. A true and correct copy of the relevant pages of the OPTP 2010 catalog is attached hereto as Exhibit C.

14. Since 2010, OPTP has continuously sold, without interruption, the SMARTROLLER® equipment both online at www.optp.com and through its mail order catalog.

15. On January 15, 2016, after Plaintiff PLP learned that its SMARTROLLER® trademark registration had inadvertently been cancelled on November 15, 2013 (see Exhibit A), Plaintiff PLP reapplied for registration for the mark SMARTROLLER® in connection with manually operated exercise equipment in International Class 28. The registration was granted on August 30, 2016 as US Reg. No. 5,030,925. A true and correct copy of the registration certificate for US Reg. No. 5,030,925 is attached as Exhibit D.

16. Shortly before the second registration date (i.e., August 30, 2016) of the SMARTROLLER® trademark (U.S. Registration No. 5,030,925), it came to Plaintiff PLP's attention that Defendant Prism had been using the mark SMARTROLLER in connection with fitness and exercise equipment, namely, a foam roller.

17. Prism offers its foam roller for sale bearing the name SMARTROLLER on its website at www.prismfitnessgroup.com as well as on merchant web sites such as Amazon.com. A true and correct copy of the product SMARTROLLER, as sold by Prism on www.prismfitnessgroup.com is attached

hereto as Exhibit E. While the website advertises the product as SMART ROLLER and/or SMART FOAM ROLLER, the Prism product bears the mark SMARTROLLER as one word.

18. In fact, a search of the term "Smart Roller" on Amazon.com yields Plaintiff's and Defendant's foam rollers for sale side-by-side. A true and correct copy of the search results from Amazon.com of the term "Smart Roller" is attached hereto as Exhibit F.

19. While it appears that on Amazon.com, Prism is now advertising its product as "Smart Foam Roller" (see Exhibit F), images of the Prism product still bear the trademark SMARTROLLER. Upon information and belief, the Prism product is still sold bearing the mark SMARTROLLER.

20. Both Plaintiff PLP's and Defendant Prism's rollers are sold under substantially the same name, are advertised for use as fitness/exercise and therapeutic/rehabilitation equipment, are for sale to the same target market (general consumers, gyms or fitness centers and physical therapist or physical therapy centers), and are sold through the same channels of trade (on-line, catalog sales and direct marketing to target consumers) (see Exhibit A and Exhibit E).

21. Both Plaintiff PLP's and Defendant Prism's rollers are sold for similar price points. In particular, Plaintiff PLP's roller is sold for $41.95 on Amazon.com and Defendant Prism's roller is sold for $43.72 on Amazon.com (see Exhibit F).

22. On August 25, 2016, Plaintiff PLP sent Defendant Prism a cease and desist letter asking that Prism cease and desist from using the mark SMARTROLLER® on any goods and services related to exercise equipment. A true and correct copy of the cease and desist letter sent to Prism Fitness Group on August 25, 2016 is attached hereto as Exhibit G.

23. On October 27, 2016, Defendant Prism's counsel, Stafford Rosenbaum LLP, responded to Plaintiff PLP's cease and desist letter by alleging that Prism had adopted the SMARTROLLER logo prior to PLP's registration date

for the mark SMARTROLLER®. Specifically, in the response letter, Prism's counsel stated that "Prism has used the SMART ROLLER logo on products sold across the United States and Canada since August, 2013." A true and correct copy of Defendant Prism's counsel response to Plaintiff PLP's cease and desist letter is attached hereto as Exhibit H.

24. A review of the archived versions of www.prismfitnessgroup.com on the Wayback Machine Internet archives reveals that Defendant Prism offered its roller bearing the mark SMARTROLLER for sale in its 2013 catalog which was available for download on its website at least as early as January 27, 2013. A copy of the January 27, 2013 version of www.prismfitnessgroup.com showing Defendant Prism's 2013 catalog available for download taken from the Wayback Machine Internet archives is attached hereto as Exhibit I.

25. Prism's 2013 digital catalog, which was available for download on www.prismfitnessgroup.com at least as early as January 27, 2013 offered its roller bearing the mark SMARTROLLER for sale. A copy of Defendant Prism's 2013 digital catalog is attached hereto as Exhibit J.

26. Prior to 2013, a review of the archived versions of www.prismfitnessgroup.com on the Wayback Machine Internet archives further reveals that Defendant Prism did not offer any product under the name SMARTROLLER for sale on its website on April 24, 2012. A copy of the April 24, 2012 version of www.prismfitnessgroup.com showing Defendant Prism's products for sale, as taken from the Wayback Machine Internet archives is attached hereto as Exhibit K.

27. Defendant Prism adopted the mark SMARTROLLER in connection with fitness and exercise equipment in 2013 while Plaintiff PLP's had a valid registration for the mark SMARTROLLER® in connection with the same goods.

28. Plaintiff PLP's federal registration (Reg. No. 3,228,554) for the mark SMARTROLLER® was inadvertently cancelled on November 15, 2013 (after

Defendant Prism's adoption and use of the mark SMARTROLLER) due to registrant's failure to file a Section 8 or 15 Affidavit with the USPTO. A true and correct copy of the TESS record for Reg. No. 3,228,554 is attached hereto as Exhibit A.

29. Defendant Prism had constructive knowledge of Plaintiff PLP's claim to exclusive rights to use the mark SMARTROLLER® in connection with exercise and fitness equipment throughout the United States at the time that Defendant Prism adopted its SMARTROLLER mark in connection with exercise and fitness equipment.

30. Upon information and belief, Prism adopted the use of the mark SMARTROLLER in bad faith, having had constructive knowledge of Plaintiff's registration for the mark SMARTROLLER®.

31. In 2013, in addition to adopting the mark SMARTROLLER in connection with its foam roller, Defendant Prism also adopted marks starting with the term SMART for manually operated exercise equipment. In particular, Defendant Prism's 2013 digital catalog (see page 5 of Exhibit J) shows that Defendant Prism sold the following additional manually operated exercise equipment bearing the following newly adopted marks: SMART MAT, SMART MEDICINE BALL, SMART STABILITY BALL, and SMART PLYO BOXES (collectively referred to as "SMART Product Marks"). All the marks start with the first term SMART followed by descriptive terms.

32. Plaintiff PLP's SMARTROLLER® product and Defendant Prism's SMART Products Marks are sold under substantially the same name, are advertised for use as fitness/exercise and therapeutic/rehabilitation equipment, are for sale to the same target market (general consumers, gyms or fitness centers and physical therapist or physical therapy centers), and are sold through the same channels of trade (on-line, catalog sales and direct marketing to target consumers) (see page 5 of Exhibit J and Exhibit A).

33. Defendant Prism adopted its SMART Product Marks for use prior to the date of cancellation of Plaintiff's original trademark registration for the mark SMARTROLLER®, which was cancelled on November 13, 2013. Thus, Defendant Prism had constructive knowledge of Plaintiff PLP's claim to exclusive rights to use the mark SMARTROLLER® in connection with manually operated exercise equipment throughout the United States at the time that Defendant Prism adopted its SMART Products Marks in connection with exercise and fitness equipment.

34. On information and belief, Defendant Prism knew or should have known that its adoption of the SMARTROLLER mark and SMART Product Marks was adopted during the time in which Plaintiff PLP had federal registration for the mark SMARTROLLER®.

35. Plaintiff PLP has not consented to, sponsored, endorsed, or approved of Defendant Prism's use of the mark SMARTROLLER and/or SMART Product Marks or any variations thereof in connection with manually operated exercise equipment.

36. On information and belief, Defendant Prism's actions are willful and reflect an intent to confuse consumers and profit from the goodwill and consumer recognition associated with Plaintiff PLP's SMARTROLLER® mark.

37. As of the date of this Complaint, Defendant Prism continues to use the mark SMARTROLLER and SMART Product Marks in connection with exercise and fitness equipment, without authorization. While it appears that since receiving the cease and desist letter that Defendant Prism has renamed the title of the product on Amazon.com and its website to SMART FOAM ROLLER, upon information and belief, based upon images of the Prism product from Prism's website, the goods still bear the mark SMARTROLLER. A true and correct copy of the Prism product bearing the mark SMARTROLLER as currently shown on www.prismfitnessgroup.com is attached hereto as Exhibit L. Defendant Prism's

failure to fully comply with Plaintiff PLP's demands demonstrates a deliberate intent to continue wrongfully competing with Plaintiff PLP and to willfully infringe Plaintiff PLP's rights in the SMARTROLLER® trademark.

FIRST CAUSE OF ACTION
(Federal Trademark Infringement under 15 U.S.C. §§ 1114 and 1125(a))

38. Plaintiff realleges and incorporates herein the allegations contained in paragraphs 1- 37 of this Complaint.

39. The actions of Defendant described above and specifically, without limitation, its unauthorized use of the SMARTROLLER® trademark and the SMART Product Marks, and confusingly similar variations thereof, in commerce to advertise, promote, market, and sell manually operated exercise equipment throughout the United States including California, constitute trademark infringement in violation of 15 U.S.C. §§ 1114 and 1125(a).

40. The actions of Defendant, if not enjoined, will continue. Plaintiff has suffered and continues to suffer damages in an amount to be proven at trial consisting of, among other things, diminution in the value of and goodwill associated with the SMARTROLLER® mark, and injury to Plaintiff's business. Plaintiff is therefore entitled to injunctive relief pursuant to 15 U.S.C. § 1116.

41. Pursuant to 15 U.S.C. § 1117, Plaintiff is entitled to recover damages in an amount to be determined at trial, profits made by Defendant on sales of manually operated exercise equipment bearing the SMARTROLLER® trademark and the SMART Product Marks, and the costs of this action. Furthermore, Plaintiff is informed and believes, and on that basis alleges, that the actions of Defendant was undertaken willfully and with the intention of causing confusion, mistake, or deception, making this an exceptional case entitling Plaintiff to recover

additional treble damages and reasonable attorneys' fees pursuant to 15 U.S.C. § 1117.

SECOND CAUSE OF ACTION
(Federal Trademark Dilution under 15 U.S.C. §1125(c))

42. Plaintiff realleges and incorporates herein the allegations contained in paragraphs 1 - 41 of this Complaint.

43. The actions of Defendant described above and specifically, without limitation, its unauthorized use of the SMARTROLLER® mark and the SMART Product Marks, and confusingly similar variations thereof, in commerce to advertise, market, and sell manually operated exercise equipment throughout the United States including California, are likely to cause dilution by blurring and tarnishment in violation of 15 U.S.C. § 1125(c).

44. The actions of Defendant, if not enjoined, will continue. Plaintiff has suffered and continues to suffer damages in an amount to be proven at trial consisting of, among other things, diminution in the value of and goodwill associated with the SMARTROLLER® mark, and injury to Plaintiff's business. Plaintiff is therefore entitled to injunctive relief pursuant to 15 U.S.C. § 1116 and 15 U.S.C. 1125(c).

45. On information and belief, the actions of Defendant described above was and continue to be deliberate and willful. Plaintiff is therefore entitled to recover damages in an amount to be determined at trial, profits made by Defendant on the sales of manually operated exercise equipment bearing the SMARTROLLER® trademark and the SMART Product Marks, and the costs of this action pursuant to 15 U.S.C. § 1117.

THIRD CAUSE OF ACTION
(Federal Unfair Competition and False Advertising under 15 U.S.C. §1125(a))

46. Plaintiff realleges and incorporates herein the allegations contained in paragraphs 1- 45 of this Complaint.

47. Defendant's actions described above and specifically, without limitation, Defendant's use of the SMARTROLLER® trademark and the SMART Product Marks, and confusingly similar variations thereof, in commerce to advertise, market, and sell manually operated exercise equipment bearing the SMARTROLLER mark and SMART Product Marks throughout the United States including California and Defendant Prism's knowledge, participation, and inducement thereof, constitute unfair competition and false advertising in violation of 15 U.S.C. § 1125(a).

48. As an actual and proximate result of Defendant's willful and intentional actions, Plaintiff has suffered damages in an amount to be determined at trial, and unless Defendant is enjoined, Plaintiff will continue to suffer irreparable harm and damage to its business, reputation, and goodwill.

49. Pursuant to 15 U.S.C. § 1117, Plaintiff is entitled to damages for Defendants' Lanham Act violations, an accounting for profits made by Defendant on sales of manually operated exercise equipment bearing the SMARTROLLER® trademark and the SMART Product Marks, as well as recovery of the costs of this action. Furthermore, Plaintiff is informed and believes, and on that basis alleges, that Defendant's conduct was undertaken willfully and with the intention of causing confusion, mistake or deception, making this an exceptional case entitling Plaintiff to recover additional damages and reasonable attorneys' fees pursuant to 15 U.S.C. § 1117.

FOURTH CAUSE OF ACTION

(Statutory Unfair Competition and False Advertising under California Business and Professions Code §§ 17200 and 17500 *et seq.*)

50. Plaintiff realleges and incorporates herein the allegations contained in paragraphs 1 – 49 of this Complaint.

51. Defendant's actions described above and specifically, without limitation, Defendant's use of the SMARTROLLER® trademark and SMART Product Marks, and confusingly similar variations thereof, in commerce to advertise, market, and manually operated exercise equipment bearing the SMARTROLLER mark and SMART Product Marks throughout the United States including California and Defendant Prism's knowledge, participation, and inducement thereof, constitute trademark infringement, false advertising, and unfair competition in violation of the laws of the State of California.

52. By these actions, Defendant has engaged in false advertising and unfair competition in violation of the statutory law of the state of California, Cal. Bus. & Prof. Code §§ 17200 and 17500, *et seq.*, and, as a result, Plaintiff has suffered and will continue to suffer damage to its business, reputation, and goodwill.

53. As a direct and proximate result of Defendant's willful and intentional actions, Plaintiff has suffered damages in an amount to be determined at trial and, unless Defendant is restrained, Plaintiff will continue to suffer irreparable damage.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays that this Court enter judgment against Defendant as follows:

A. That Plaintiff be granted injunctive relief under 15 U.S.C. § 1051 *et seq.*; and California Business and Professions Code §§ 17200 and 17500 *et seq.*; specifically, that Defendant and all of their respective officers, agents, servants, representatives employees, attorneys, and all other persons acting in concert with them be enjoined from:

1. using the SMARTROLLER® mark, or any mark confusingly similar to the SMARTROLLER® mark, in connection with the marketing, promotion, advertising, sale, or distribution of any manually operated exercise equipment bearing the SMARTROLLER mark and the SMART Product Marks;

2. directly or indirectly engaging in false advertising or promotions of fitness and exercise equipment bearing the SMARTROLLER mark and SMART Product Marks;

B. That Defendant file, within ten (10) days from entry of an injunction, a declaration with this Court signed under penalty of perjury certifying the manner in which Defendants have complied with the terms of the injunction;

C. That Defendant be ordered to correct any erroneous impression persons may have derived concerning the nature, characteristics, or qualities of either fitness or exercise equipment bearing the SMARTROLLER mark and SMART Product Marks or Plaintiff's SMARTROLLER® products, including without limitation: the removal of the SMARTROLLER mark and SMART Product Marks on all fitness and exercise related equipment.

D. That Defendant be adjudged to unlawfully and unfairly compete against Plaintiff under the laws of the State of California, Cal. Bus. & Prof. Code § 17200, *et seq.*;

E. That Defendant be adjudged to have competed unlawfully and unfairly against Plaintiff by engaging in false or misleading advertising under the laws of the State of California, Cal. Bus. & Prof. Code § 17500, *et seq.*;

F. That Plaintiff be awarded damages pursuant to 15 U.S.C. § 1117(a), sufficient to compensate it for the damage caused by Defendant's false and misleading statements;

G. That Plaintiff be awarded Defendant's profits derived by reason of said acts, or as determined by said accounting;

H. That such damages and profits be trebled and awarded to Plaintiff and that it be awarded its costs, attorneys' fees and expenses in this suit under 15 U.S.C. § 1117, as a result of Defendant's willful, intentional, and deliberate acts in violation of the Lanham Act;

I. That Plaintiff be awarded damages in an amount sufficient to compensate it for the damage caused by Defendant's unfair competition and false advertising under California Business and Professions Code §§ 17200 and 17500 *et seq*. and trademark infringement under federal law;

J. That Plaintiff be granted prejudgment and post judgment interest;

K. That Plaintiff be granted costs associated with the prosecution of this action; and

L. That Plaintiff be granted such further relief as the Court may deem just.

Dated: May 25, 2017

AVYNO LAW P.C.

By: /s/ Jennifer H. Hamilton
Jennifer H. Hamilton

Attorneys for Plaintiff
Pacific Light Productions Inc.

DEMAND FOR JURY TRIAL

Plaintiff PLP requests a jury trial on all issues properly triable to a jury.

Dated: May 25, 2017

Avyno Law P.C.

/s/ Jennifer H. Hamilton
Jennifer H. Hamilton

Attorneys for Plaintiff
Pacific Light Productions Inc.